

**GOVERNMENTAL ADVISORY COMMITTEE
TO THE U.S. REPRESENTATIVE TO THE
NORTH AMERICAN COMMISSION FOR ENVIRONMENTAL COOPERATION**

April 11, 1996

**Honorable Carol M. Browner
Administrator
U.S. Environmental Protection Agency
401 M Street S.W.
Washington, DC 20460**

Dear Ms. Browner:

Following is the report of the fourth meeting of the Governmental Advisory Committee to the U.S. Representative to the North American Commission for Environmental Cooperation. The Committee met March 11-12, 1996, in Washington, D.C., in conjunction with its counterpart National Advisory Committee.

The Committee found its latest meeting to be very useful and productive. We had an excellent opportunity to meet with a number of officials including Assistant Administrator Bill Nitze, NAFTA Coordinator Serena Wilson, Assistant U.S. Trade Representative Jennifer Haverkamp, Herb Raffaele from the Department of the Interior, Joseph Montgomery from EPA, Charlotte Roe from the State Department, and Janine Ferretti and Greg Block from the North American Commission (CEC) Secretariat. The Committee obtained very timely information on NAFTA implementation and received very positive feedback from these officials on the Committee's work and recommendations. We regret that you were again unable to meet with the Committees and look forward to someday having you attend one of our meetings.

CEC Work Program

Unfortunately, the CEC's report on its 1995 program results and products was not available for our meeting. The Committee looks forward to receiving the report shortly and intends to provide comments in a separate report to you as soon as possible.

The Committee is pleased with the final version of the CEC's 1996 work

program. The number of projects has been reduced, the projects are more clearly focused, and project descriptions are more detailed and understandable. The Committee appreciates that the government and the CEC staff have listened to our recommendations. We recommend that, for 1997, milestone data be added to work plans to permit the public and CEC staff to monitor project implementation status more closely, and that summary materials be produced for the general public that explains the linkages among the individual projects and the broader benefits of the projects as a whole to the North American environment.

The Committee is looking forward to playing a much more proactive role in assisting development of the CEC's 1997 program strategy and work plan development. We understand that the 1995 and 1996 work programs had to be developed with less opportunity for early public input. We strongly endorse the decision to initiate an early and more comprehensive strategic planning process for 1997 involving the advisory committees. The Committee anticipates participating in a series of teleconferences with senior U.S. staff in advance of each of the Alternates meetings to provide guidance on current policy issues. Members of the Committee also expect to participate in the public sessions at the September Ministerial meeting. The state agency directors on the Committee have also committed to elevate attention to the work of the CEC with other members of the Environmental Council of the States (ECOS) at upcoming meetings.

The Committee reiterates that the CEC must address trade and environment issues more fully in their program. We understand that much of their mission, based on the language of the Side agreement, is purely North American environmental information and coordination. However, members believe that CEC is the unique institution to deal with the intersections of trade and environmental issues on the continent. Based on this, the Committee notes that the NAFTA Environmental Effects Project work is key and that information from all of the other projects also needs to be integrated into the overall approach to and reporting on this Project.

The Committee noted several general and specific issue areas that must be addressed in both 1996 and 1997 CEC implementation. The CEC should:

- o Address the environmental and trade effects of proposed utility deregulation that is beginning now in California. The Committee anticipates very significant transboundary impacts along both borders, and major policy issues among the governments and energy sectors of the three countries. The Committee encourages a closer working relationship among EPA, states, and**

the Federal Energy Regulatory Commission on environmental and trade issues that are certain to arise. The Committee also recommends that utility deregulation be made a specific emphasis of the ongoing federal and state efforts to address NAFTA Article 10.7 regarding Transboundary Environmental Impact Assessment (TEIA);

- o Focus on solutions, along with problems. While the CEC's inventory and assessment projects should provide very useful baseline, trend and summary data, the CEC should also be emphasizing development of feasible transboundary, binational and trinational solutions to the priority problems being addressed;**

- o Assure that broad, continental efforts are relevant "on the ground" through increasing contacts with state and local governments, tribes and communities in the three countries to test utility of project scope and direction;**

- o Assure balance of program effects and interests, especially with respect to the poor on both sides of the border. While there is very strong support for the Commission's emphasis on development of human and institutional capacity in Mexico, there are also concerns that there are equally poor people in tribes and communities on the U.S. side of the border affected by environmental and natural resource degradation;**

- o Assure that newly available information resulting from the development of coordinated PRTR/TRI programs in the three countries gets shared with communities and that they are provided assistance to understand what the data means. While the Committee strongly endorses the work, we are very concerned that the CEC address data gaps and capacity building at the community level, with industry and nongovernmental organizations;**

- o Use all tools available, including enforcement, compliance technical assistance and training, to gain environmental benefits. The emphasis should be on obtaining environmental benefits, not merely on the means of achieving those benefits.**

- o Minimize original collection of new data. Their role should be to provide collation and integration of available country data, to identify data gaps that need to be filled by the countries, and to assure improved access to data in the three countries. Given the importance of data access as a method**

of empowering governments, tribes and nongovernmental entities, the Committee recommends that access to data, as well as other information dissemination activities of the CEC, be addressed as a separate work program item;

- o Address air quality impacts, especially long range transport, air and water quality, and air quality and natural resources interrelationships;**
- o Focus on environmental and natural resources problems in the Lower Rio Grande Valley, which serves as a major flyway for migratory birds; and**
- o Expand on current pilot marine and coastal efforts in the Tijuana River Basin**

The Committee wishes to draw special attention to the need for improving the CEC's communications and outreach. The Commission and the Secretariat have an enormous responsibility and opportunity to provide data, information, and education concerning North American environmental and natural resources protection. The Committee has stressed from its first meeting the importance of effective communication and outreach by the Secretariat.

The Committee highly commends the development of the CEC Home Page. We believe that it has enormous potential value; a large number of people in the three countries already access it regularly, including Committee members. The Committee still recommends that the CEC not rely completely on electronic communications. There are large numbers of people, especially in Mexico, who do not have access to the technology.

While the CEC is expending significantly more outreach effort, it still needs to do much more to improve awareness of its role and programs in the U.S. and other countries. The CEC especially needs to broaden its access to state, local, tribal, and nongovernmental organization networks in the U.S. Members of the Committee will provide lists of organizational and individual contacts to Committee staff shortly for use by the Secretariat in disseminating information and identifying potential experts and consultants to assist in work plan development.

Repeating earlier recommendations, the CEC needs more effective processes to obtain information from the governments and nongovernmental organizations concerning ongoing programs, projects, and replicable models. The Committee has solicited information on cooperative transboundary

efforts from over 300 states, local communities and tribes along both borders which staff are now compiling and will provide to the government and CEC staff for their use.

The Committee requests again that the CEC add our members to their mailing list and to assure that they receive information. We also appreciate the offer extended at the meeting to place members on electronic mail for receipt of information.

We will continue to comment on reports and informational materials produced by the CEC regarding their coverage and ability to communicate effectively to the general public on what the CEC is about.

North American Environmental Fund

The Committee has provided detailed comments and suggestions to staff. We understand that there are apparently still a number of issues and questions to be resolved among the governments and regarding the Secretariat's role. Pending resolution of other issues, we recommend a larger number of small grants; an annual grant award schedule to minimize review and administration costs; assurance that small local governments and tribes will receive grants in addition to nongovernmental organizations; consideration of a requirement for limited in-kind or private matching of the grants; leveraging of NAEF funds with foundations and state/local governments; minimal grant application and reporting paperwork requirements, but use of targeted audits to assure that grantees use funds for the purposes awarded and that the Secretariat is protected from allegations of waste or mismanagement. There are a number of small-grant programs which the CEC should review as possible models.

It is very important that the CEC and the individual governments provide wide dissemination of information about the existence of the Fund. The CEC needs help from country networks to reach appropriate audiences.

The Committee nominates Mr. Tim Douglas, a member from Bellingham, Washington, to serve as a U.S. member of the review committee, if needed.

Other Topics

The Committee is interested in receiving additional information on the U.S. position and status of the binational issue concerning free entry of Mexican trucks into the U.S. We are very interested in governmental perceptions of this issue as a unique problem or a model for problems in future NAFTA implementation.

GAC Work Group Projects Status

Following up on its recommendations to the CEC and the government to increase emphasis on indigenous peoples' environmental and resource management issues, the Committee has been working on organization of a tribal transboundary environmental forum to be held in 1996. Staff has been working very closely with EPA's American Indian Environmental Office, which is providing significant staff assistance, as well as with the Department of the Interior's Trust Office and Bureau of Indian Affairs, the Department of Health and Human Services Indian Health Service, and the Secretariat. Approximately 60 tribal organizations located along both the Canadian and Mexican borders have been contacted and a protocol committee composed of eight tribal representatives has been established to develop the draft agenda, conference format, location, date and proposed budget. A "call for papers" has been sent to border region tribes to solicit information on key issues, model approaches to issues, and priorities.

In addition, in order to identify examples of transboundary cooperation and transboundary environmental issues, approximately 300 letters have been sent to Mexican and Canadian border region states and local governments requesting information. Responses to these letters are being compiled and will be presented to the U.S. government and the Secretariat for their information.

Members of the Committee wish to commend Robert Hardaker, the Designated Federal Officer, for his work on these initiatives as well as his outstanding overall assistance to the Committee.

Sincerely,

**Ann Glumac
Chair**